世大控股有限公司

GREAT WORLD COMPANY HOLDINGS LTD

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8003)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2011

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET ("GEM") OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

GEM has been positioned as a market designed to accommodate companies to which a high investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

This announcement, for which the directors (the "Directors") of Great World Company Holdings Ltd (the "Company") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

FINAL RESULTS

The board of directors (the "Board") of Great World Company Holdings Ltd (the "Company") presents the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 March 2011 together with the comparative audited figures for the year ended 31 March 2010 as follows:

CONSOLIDATED INCOME STATEMENT

For the year ended 31 March 2011

	Notes	2011 HK$'000	2010 HK$'000
Turnover	*3(a)*	**6,291**	34,876
Cost of sales		**(5,905)**	(27,147)
Gross profit		**386**	7,729
Other revenue and net income	*3(b)*	**955**	7,584
Selling and distribution costs		**(1,480)**	(1,754)
Administrative and other operating expenses		**(33,987)**	(21,905)
Finance costs	*4*	**—**	(16)
Share of profits of associate		**106**	1,904
Loss before tax	*5*	**(34,020)**	(6,458)
Income tax	*6*	**447**	308
LOSS FOR THE YEAR		**(33,573)**	(6,150)
Loss for the year attributable to:			
Owners of the Company		**(28,553)**	(6,892)
Non-controlling interests		**(5,020)**	742
		(33,573)	(6,150)
Loss per share	*8*		(Restated)
— Basic and diluted		**HK3.46 cents**	HK1.13 cents

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 March 2011

	2011	2010
	HK$'000	*HK$'000*
Loss for the year	**(33,573)**	(6,150)
Other comprehensive income:		
Exchange difference arising on translation of foreign operations	**1,606**	102
Total comprehensive income for the year	**(31,967)**	(6,048)
Total comprehensive income attributable to:		
Owners of the Company	**(27,023)**	(6,796)
Non-controlling interests	**(4,944)**	748
	(31,967)	(6,048)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 March 2011

	Notes	2011 HK$'000	2010 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment	10	**2,820**	3,034
Goodwill	11	**10,798**	10,335
Other intangible assets		**782**	864
Interests in associate		**18,955**	18,015
Deferred tax assets		**959**	486
		34,314	32,734
CURRENT ASSETS			
Inventories		**21**	11,589
Trade and other receivables	12	**6,551**	15,244
Cash and bank deposits	13	**21,695**	6,930
		28,267	33,763
CURRENT LIABILITIES			
Trade and other payables	14	**(15,580)**	(29,075)
Amounts due to directors		**(275)**	(5,557)
		(15,855)	(34,632)
NET CURRENT ASSETS/(LIABILITIES)		**12,412**	(869)
NET ASSETS		**46,726**	31,865
CAPITAL AND RESERVES			
Share capital	15	**97,263**	48,631
Reserves	16	**(47,875)**	(18,831)
Equity attributable to owners of the Company		**49,388**	29,800
Non-controlling interests		**(2,662)**	2,065
EQUITY		**46,726**	31,865

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2011

1. BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs"), which collectively include all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and accounting principles generally accepted in Hong Kong. These financial statements also include applicable disclosure requirements of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited and the Hong Kong Companies Ordinance.

These financial statements have been prepared using the historical cost basis.

2. APPLICATION OF NEW AND REVISED HKFRSs

In the current year, the Group has applied for the first time, the following revised standard issued by the HKICPA which is relevant to and effective for the Group's financial statements for the annual period beginning from 1 April 2010.

HKAS 27 Consolidated and Separate Financial Statements (Revised 2008)

The application of HKAS 27 (Revised 2008) has resulted in changes in the Group's accounting policies for the Group's changes in ownership interests in subsidiaries of the Group.

Specifically, the revised standard has affected the Group's accounting policies regarding changes in the Group's ownership interests in its subsidiaries that do not result in loss of control. In prior years, in the absence of specific requirements in HKFRSs, increases in interests in existing subsidiaries were treated in the same manner as the acquisition of subsidiaries, with goodwill or a bargain purchase gain being recognised, when appropriate; for decreases in interests in existing subsidiaries that did not involve a loss of control, the difference between the consideration received and the adjustment to the non-controlling interests was recognised in profit or loss. Under HKAS 27 (Revised 2008), all such increases or decreases are dealt with in equity, with no impact on goodwill or profit or loss.

When control of a subsidiary is lost as a result of a transaction, event or other circumstance, the revised standard requires the Group to derecognise all assets, liabilities and non-controlling interests at their carrying amounts and to recognise the fair value of the consideration received. Any retained interest in the former subsidiary is recognised at its fair value at the date control is lost. The resulting difference is recognised as a gain or loss in profit or loss.

At the date of authorisation of these financial statements, the HKICPA has issued a number of new or amended HKFRSs but are not yet effective and have not been early adopted in these financial statements.

The directors anticipate that all of the pronouncements will be adopted in the Group's accounting policies for the first period beginning on or after the effective date of the pronouncement. Information on new and amended HKFRSs that are expected to have impact on the Group's accounting policies is provided below. Certain other new and amended HKFRSs have been issued but are not expected to have a material impact of the Group's financial statements.

HKFRS 9 Financial Instruments

The standard is effective for annual periods beginning on or after 1 January 2013.

Under HKFRS 9, all recognised financial assets that are within the scope of the HKAS 39 Financial Instruments: Recognition and Measurement are subsequently measured at either amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent accounting periods.

In relation to financial liabilities, the significant change relates to financial liabilities that are designated as at fair value through profit or loss. Specifically under HKFRS 9, for all financial liabilities that are designated as at fair value through profit or loss, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the presentation of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Previously, under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as at fair value through profit or loss is presented in profit or loss.

The directors are currently assessing the possible impact of the new standard on the Group's results and financial position in the first year of application.

3. REVENUE

(a) Turnover

	2011	2010
	HK$'000	*HK$'000*
Sales of goods, net of discounts and value-added tax	**6,291**	34,876

(b) Other revenue and net income

	2011	2010
	HK$'000	*HK$'000*
Bank interest income	**8**	9
Other service income	**829**	4,615
Written back of trade receivables	**118**	—
Reversal of impairment loss on trade receivables	**—**	2,390
Sundry income	**—**	570
	955	7,584

4. FINANCE COSTS

	2011 *HK$'000*	2010 *HK$'000*
Interest and other finance expenses on unsecured borrowings wholly repayable within 5 years	**—**	16

5. LOSS BEFORE TAX

Loss before tax has been arrived at after charging:

	2011 *HK$'000*	2010 *HK$'000*
Staff costs (including directors' remuneration)		
— salaries and other benefits	**7,920**	6,732
— contributions to defined contribution retirement benefit schemes	**217**	144
	8,137	6,876
Other items		
— inventories recognised as an expense	**5,905**	27,147
— write-down of obsolete inventories	**12,642**	900
Auditors' remuneration		
— audit services	**320**	280
— other services	**156**	170
Depreciation and amortisation	**326**	327
Operating lease charges in respect of land and buildings	**895**	1,053
Impairment loss on trade receivables	**7,398**	828
Loss on written off of other receivables	**453**	—
Impairment loss/loss on written off of property, plant and equipment	**431**	1
Net foreign exchange losses	**36**	40

6. INCOME TAX

	2011 *HK$'000*	2010 *HK$'000*
Current tax:		
Hong Kong profits tax	**—**	—
PRC enterprise income tax	**—**	(178)
Deferred tax	**447**	486
Tax income for the year	**447**	308

Hong Kong profits tax and PRC enterprise income tax has not been provided for as the Company and its subsidiaries subject to Hong Kong profits tax and PRC enterprise income tax incurred a loss for tax purposes (2010: Hong Kong profits tax has not been provided for as the Company and its subsidiaries subject to Hong Kong profits tax incurred a loss for tax purposes, PRC enterprise income tax has been provided at the applicable rate of 25% based on the estimated assessable profit for the year).

The tax income for the year can be reconciled to the accounting loss as follows:

	2011	2010
	HK$'000	*HK$'000*
Loss before tax and before share of profits of associate	**34,126**	8,362
Notional tax on loss before tax, calculated at the tax rates applicable to jurisdictions concerned	**7,691**	3,269
Tax effect of income not taxable	**12**	56
Tax effect of expenses not deductible and losses not allowable	**(6,776)**	(2,923)
Tax effect of temporary differences not recognised	**(480)**	2
Tax under-provided in previous year	**—**	(96)
Tax income for the year	**447**	308

7. DIVIDEND

No dividend has been paid during the year nor proposed for the year (2010: Nil).

8. LOSS PER SHARE

The basic loss per share is calculated based on the loss attributable to owners of the Company of approximately HK$28,553,000 (2010: approximately HK$6,892,000) and the weighted average number of 826,067,616 (2010: 611,012,213) ordinary shares in issue during the year.

For the purpose of calculating basic loss per share, the number of shares for the year ended 31 March 2010 has been adjusted and restated to reflect the effect of the rights issue during the year.

There were no potential diluting events for both years ended 31 March 2011 and 2010 as the impact of exercise of share options was anti-dilutive.

9. SEGMENT INFORMATION

The Group determines its operating segments based on the reports reviewed by the chief operating decision makers that are used to make strategic decisions.

The Group has 2 reportable segments — (1) assembly, distribution and integration of telecommunications products and (2) exploration, mining and processing of iron. These segments are managed separately as they belong to different industries and require different operating systems and strategies. There were no sales and other transactions between those reportable segments for both years ended 31 March 2011 and 2010. An analysis of the Group's reportable segment revenue, results, assets, liabilities and other selected financial information is presented below.

(a) **Segment revenue, profit or loss, assets, liabilities and other selected financial information**

2011

	Assembly, distribution and integration of telecommunications products *HK$'000*	**Exploration, mining and processing of iron** *HK$'000*	**Total** *HK$'000*
Revenue from external customers	**5,990**	**301**	**6,291**
Interest income	**8**	**—**	**8**
Depreciation and amortisation	**14**	**276**	**290**
Impairment loss on trade receivables	**7,398**	**—**	**7,398**
Loss on written off of other receivables	**453**	**—**	**453**
Write-down of obsolete inventories	**9,366**	**3,276**	**12,642**
Impairment loss/loss on written off of property, plant and equipment	**32**	**399**	**431**
Total loss of reportable segment other than associate	**19,169**	**5,063**	**24,232**
Share of profits of associate	**106**	**—**	**106**
Tax income	**—**	**447**	**447**
Total assets of reportable segment other than associate	**3,553**	**16,499**	**20,052**
Interests in associate	**18,955**	**—**	**18,955**
Expenditures for reportable segment non-current assets	**—**	**296**	**296**
Reportable segment liabilities	**14,203**	**517**	**14,720**

2010

	Assembly, distribution and integration of telecommunications products *HK$'000*	Exploration, mining and processing of iron *HK$'000*	Total *HK$'000*
Revenue from external customers	34,876	—	34,876
Interest income	8	1	9
Interest expense	—	8	8
Depreciation and amortisation	12	280	292
Write-down of obsolete inventories	900	—	900
Total profit/(loss) of reportable segment other than associate	6,666	(2,319)	4,347
Share of profits of associate	1,904	—	1,904
Tax (expense)/income	(178)	486	308
Total assets of reportable segment other than associate	28,788	18,328	47,116
Interests in associate	18,015	—	18,015
Expenditures for reportable segment non-current assets	14	1,170	1,184
Reportable segment liabilities	20,529	7,114	27,643

(b) Reconciliations of reportable segment revenue, profit or loss, assets and liabilities

	2011	2010
	HK$'000	*HK$'000*
Revenue		
Total revenue for reportable segment	**6,291**	34,876
Consolidated turnover	**6,291**	34,876
Profit or loss		
Total (loss)/profit for reportable segments other than associate	**(24,232)**	4,347
Share of profits of associate	**106**	1,904
Unallocated corporate income	**—**	342
Unallocated corporate expenses	**(9,894)**	(13,051)
Consolidated loss before tax	**(34,020)**	(6,458)
Assets		
Total assets for reportable segments other than associate	**20,052**	47,116
Interests in associate	**18,955**	18,015
Unallocated corporate assets	**23,574**	1,366
Consolidated total assets	**62,581**	66,497
Liabilities		
Total liabilities for reportable segments	**14,720**	27,643
Unallocated corporate liabilities	**1,135**	6,989
Consolidated total liabilities	**15,855**	34,632

(c) Geographical Information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment, intangible assets, goodwill and interests in associate ("specified non-current assets"). The geographical location of customers is based on the location at which the services were provided or the goods were delivered. The geographical location of the specified non-current assets is based on (i) the physical location of the assets, in the case of property, plant and equipment, (ii) the location of the operation to which they are allocated, in the case of intangible assets and goodwill, and (iii) the location of operations, in the case of interests in associate.

	Revenue from external customers		**Specified non-current assets**	
	2011	2010	**2011**	2010
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
PRC	**6,291**	34,876	**33,306**	32,164
Hong Kong	**—**	—	**49**	84
	6,291	34,876	**33,355**	32,248

(d) Information about major customers

The total amounts of revenue from each of the 3 (2010: 3) major customers of the Group, revenue from each such customer amount to 10% or more of the Group's revenue, are approximately HK$3,247,000, HK$1,733,000 and HK$893,000 (2010: HK$12,281,000, HK$10,143,000 and HK$6,360,000) attributed to the assembly, distribution and integration of telecommunications products segment.

10. PROPERTY, PLANT AND EQUIPMENT

	Buildings	Leasehold improvements	Furniture, fixtures and equipment	Motor vehicles	Construction in progress	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Cost:						
At 1 April 2009	169	50	1,563	1,171	244	3,197
Additions	—	—	112	—	1,075	1,187
Disposals	—	—	(2)	—	—	(2)
Exchange adjustments	—	—	6	3	2	11
At 31 March 2010 and 1 April 2010	169	50	1,679	1,174	1,321	4,393
Additions	—	—	17	279	2	298
Written off	—	—	(11)	(555)	—	(566)
Exchange adjustments	7	—	70	52	59	188
At 31 March 2011	176	50	1,755	950	1,382	4,313
Accumulated depreciation and impairment:						
At 1 April 2009	169	14	424	537	—	1,144
Provided for the year	—	10	142	60	—	212
Eliminated on disposals	—	—	(1)	—	—	(1)
Exchange adjustments	—	—	1	3	—	4
At 31 March 2010 and 1 April 2010	169	24	566	600	—	1,359
Provided for the year	—	10	166	33	—	209
Impairment	—	—	32	—	—	32
Eliminated on written-off	—	—	(5)	(162)	—	(167)
Exchange adjustments	7	—	26	27	—	60
At 31 March 2011	176	34	785	498	—	1,493
Carrying amounts:						
At 31 March 2011	—	16	970	452	1,382	2,820
At 31 March 2010	—	26	1,113	574	1,321	3,034

11. GOODWILL

	2011	2010
	HK$'000	*HK$'000*
Cost:		
At beginning of the year	**10,335**	10,305
Exchange adjustments	**463**	30
At end of the year	**10,798**	10,335

12. TRADE AND OTHER RECEIVABLES

	2011	2010
	HK$'000	*HK$'000*
Trade receivables	**10,580**	14,546
Less: provision for impairment of trade receivables	**(8,288)**	(829)
	2,292	13,717
Other receivables, prepayments and deposits	**4,259**	1,527
	6,551	15,244

An aged analysis of trade receivables based on invoice date is as follows:

Within 3 months	**—**	11,147
Over 3 months but within 1 year	**2,292**	2,570
	2,292	13,717

13. CASH AND BANK DEPOSITS

	2011	2010
	HK$'000	*HK$'000*
Deposits with banks and other financial institutions	**21,689**	6,407
Cash in hand	**6**	523
	21,695	6,930

14. TRADE AND OTHER PAYABLES

	2011	2010
	HK$'000	*HK$'000*
Trade payables	**13,278**	17,782
Other payables and accrued charges	**2,302**	11,293
	15,580	29,075

An aged analysis of the trade payables is as follows:

	2011	2010
Within 3 months	**1,307**	11,484
Over 3 months but within 1 year	**11,911**	6,298
Over 1 year	**60**	—
	13,278	17,782

15. SHARE CAPITAL

	Number of shares		Amount	
	2011	2010	**2011**	2010
	'000	*'000*	***HK$'000***	*HK$'000*
Authorised:				
Ordinary shares of HK$0.1 each				
— At beginning of the year	**800,000**	800,000	**80,000**	80,000
— Creation of additional shares *(note (i))*	**1,200,000**	—	**120,000**	—
— At end of the year	**2,000,000**	800,000	**200,000**	80,000
Issued and fully paid:				
Ordinary shares of HK$0.1 each				
— At beginning of the year	**486,314**	406,314	**48,631**	40,631
— Shares issued under a subscription agreement *(note (ii))*	**—**	80,000	**—**	8,000
— Rights shares issued *(note (iii))*	**486,314**	—	**48,632**	—
— At end of the year	**972,628**	486,314	**97,263**	48,631

Notes:

(i) On 19 August 2010, an ordinary resolution was passed by the shareholders of the Company at an extraordinary general meeting to approve the increase of the authorised share capital of the Company from HK$80,000,000 divided into 800,000,000 shares to HK$200,000,000 divided into 2,000,000,000 shares by the creation of an additional 1,200,000,000 shares.

(ii) On 7 August 2009, 80,000,000 new ordinary shares were issued, in accordance with the terms of a subscription agreement dated 27 July 2009, to the vendor from whom 80,000,000 placing shares were placed to the placees on 30 July 2009, pursuant to a placing agreement entered into by the Company with a placing agent on 27 July 2009 at a placing price of HK$0.265 per placing share, for the purpose of providing general working capital for the Company.

(iii) On 13 September 2010, 486,314,000 rights shares were issued, on the basis of one rights share for every existing share held on the record date, to the qualifying shareholders at a subscription price of HK$0.10 per rights share. The rights shares rank pari passu in all respects with the then existing shares of the Company.

16. RESERVES

	Share premium *HK$'000*	Share options reserve *HK$'000*	PRC statutory reserves *HK$'000*	Translation reserve *HK$'000*	Other reserve *HK$'000*	Accumulated losses *HK$'000*	Total *HK$'000*
At 1 April 2009	109,932	706	3,808	3,450	—	(142,080)	(24,184)
Total comprehensive income for the year	—	—	—	96	—	(6,892)	(6,796)
Shares issued pursuant to a subscription agreement	13,200	—	—	—	—	—	13,200
Cost attributable to issue of new shares	(1,051)	—	—	—	—	—	(1,051)
At 31 March 2010 and 1 April 2010	122,081	706	3,808	3,546	—	(148,972)	(18,831)
Total comprehensive income for the year	—	—	—	1,530	—	(28,553)	(27,023)
Cost attributable to issue of rights shares	(2,346)	—	—	—	—	—	(2,346)
Changes in equity interest in subsidiary that do not result in a change of control	—	—	—	11	314	—	325
At 31 March 2011	119,735	706	3,808	5,087	314	(177,525)	(47,875)

17. CAPITAL COMMITMENTS

The Group and the Company did not have material capital commitments as at 31 March 2011 other than the acquisition of Linkful Wise Group Holdings Limited. (2010: Nil)

RESULTS OF OPERATIONS

For the year ended 31 March 2011, the Group recorded a turnover of approximately HK$6,291,000, representing a decrease of approximately 82% as compared to the turnover of approximately HK$34,876,000 for last year. Turnover was mainly derived from the sales of telecommunications products in the PRC. A small amount of revenue was generated from the trading of iron ores business. Loss for the year ended 31 March 2011 was increased, by approximately 445.9%, from approximately HK$6,150,000 for the previous year to approximately HK$33,573,000. The increase in loss was mainly attributable to the write-down of certain assets of the telecommunications products segment.

BUSINESS REVIEW

Acquisition of the remaining 49% equity interest in a subsidiary

The Company has completed the acquisition of 51% of equity interest in 鳳山縣黔興礦業有限責任公司 (Feng Shan Xian Qian Xing Mining Industry Company Limited*) ("Feng Shan") through its wholly-owned subsidiary, China Score International Holdings Limited ("China Score") on 20 January 2009.

On 3 November 2010, China Score entered into an acquisition agreement in relation to the acquisition of the remaining 49% of the entire equity interest in Feng Shan at a cash consideration of RMB2.8 million and the parties to the acquisition agreement agreed to waive the profit guarantee of Feng Shan of at least RMB10 million for each of the two years ending 31 December 2010 and 31 December 2011 and transfer the shareholder's loan to China Score upon completion of acquisition of Feng Shan.

Such acquisition constituted a discloseable and connected transaction for the Company under the GEM Listing Rules and was subject to announcement, reporting and independent shareholders' approval requirements under the GEM Listing Rules. A circular containing further information of the acquisition has been despatched to the shareholders of the Company on 24 November 2010. The acquisition was approved by the independent shareholders of the Company at an extraordinary general meeting of the Company held on 10 December 2010. Completion of the acquisition has taken place on 6 January 2011 and Feng Shan has then become an indirect wholly-owned subsidiary of the Company.

Acquisition of a subsidiary

Golden Strategy Limited ("Golden Strategy"), a wholly-owned subsidiary of the Company, entered into an acquisition agreement on 25 February 2011 and a supplemental agreement on 2 March 2011 with an independent third party, in relation to the acquisition of the entire issued share capital of Linkful Wise Group Holdings Limited, whose principal asset represents interest in a property located in Leshan City, Sichuan Province, the PRC, at an aggregate consideration of HK$150,800,000 (subject to adjustment).

* *For identification purposes only*

The consideration is to be satisfied as to (i) HK$31,000,000 by the issue and allotment of the 155,000,000 consideration shares by the Company at the issue price of HK$0.20 per share to the vendor (or its nominee(s)) upon completion of the acquisition; (ii) HK$33,840,000 by the issue of the convertible note by the Company at an initial conversion price of HK$0.20 per conversion share to the vendor (or its nominee(s)) upon completion of the acquisition; (iii) HK$10,000,000 in cash (HK$2,000,000 of which has been paid as a refundable deposit within 2 business days after the signing of the acquisition agreement); and (iv) HK$75,960,000 by the issue of the promissory note by Golden Strategy on the first anniversary of completion of the acquisition to the vendor.

Such acquisition constituted a very substantial acquisition for the Company under the GEM Listing Rules and is subject to reporting, announcement and shareholders' approval requirements under the GEM Listing Rules. A circular containing further details of the acquisition and information required under the GEM Listing Rules has been despatched to the shareholders of the Company on 8 April 2011. The acquisition has been approved by the shareholders of the Company at an extraordinary general meeting of the Company held on 27 April 2011. As at the date of this announcement, the acquisition has not been completed yet.

Sales of telecommunications products

The turnover and the operating loss of telecommunications products for the current year was approximately HK$5,990,000 and approximately HK$19,169,000, respectively, as compared to the turnover and operating profit of approximately HK$34,876,000 and approximately HK$6,666,000, respectively for the preceding year.

The decrease in turnover was mainly due to the unfavorable and competitive business environment of the telecommunications products in the PRC whereas the operating loss was primarily attributable to the write-down of certain assets in this business segment.

Trading of iron ores

For the year ended 31 March 2011, a turnover of approximately HK$301,000 was generated from the trading of iron ores (2010: Nil). The processing factory of the iron ores is still under construction. It is currently expected that the iron mine will commence commercial operation in mid July 2011.

PROSPECT

The Group will focus on its mining business and property investment business in the coming year. Taking into account the high level of consumption of iron ore and strong demand in the property market of the PRC, the Board is optimistic that these two business segments can broaden the Group's income base and improve its financial performance for the benefit of the Company and shareholders as a whole. Going forward, the Group will continue to look for other investment opportunities so as to broaden the source of income of the Group and diversify the Group's portfolio.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 March 2011, cash and bank deposits of the Group amounted to approximately HK$21,695,000, representing an increase of 213.1% comparing with the cash and bank deposits of approximately HK$6,930,000 as at 31 March 2010. The Group's net current assets amounted to approximately HK$12,412,000 as at 31 March 2011, whereas the Group recorded net current liabilities of approximately HK$869,000 as at 31 March 2010.

During the year, the Company raised approximately HK$46 million by way of rights issue of 486,314,000 rights shares at subscription price of HK$0.1 per rights share on the basis of one rights share for every existing share held by qualifying shareholder on the record date. The rights shares were fully subscribed and dealing of the fully-paid rights shares commenced on 15 September 2010.

GEARING RATIO

The Group's gearing ratio, which was defined as the ratio of long term borrowings to total equity, was nil as at 31 March 2011 (31 March 2010: Nil).

TREASURY POLICIES

The Group adopted a conservative treasury policy with almost all bank deposits being kept in Hong Kong dollars, or in the local currencies of the operating subsidiaries to minimise exposure to foreign exchange risk. Since most of the trading transactions, assets and liabilities of the Group were denominated in Hong Kong dollars and Renminbi, the Group did not experience any material difficulties or effects on its operations or liquidity as a result of fluctuations in currency exchange rates during the year under review. As at 31 March 2011, the Group had no foreign exchange contracts, interest or currency swaps or other financial derivatives for hedging purpose.

CONTINGENT LIABILITIES

As at 31 March 2011, the Group did not have any material contingent liabilities.

EMPLOYEES AND REMUNERATION POLICY

The Group reviewed employee's remuneration from time to time and salary adjustment was normally made on an annual basis. Special adjustment based on length of service and good performance could be made at any time when warranted. In addition to salaries, the Group provided employee's benefits such as medical insurance and provident fund. Share options and bonuses were also available to employees of the Group at the discretion of the directors and depending upon the financial performance of the Group.

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company has not redeemed any of its shares during the year. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the year.

CORPORATE GOVERNANCE PRACTICES

The Company has applied the principles in and complied with the requirements of the Code on Corporate Governance Practices as set out in Appendix 15 of the GEM Listing Rules throughout the year ended 31 March 2011.

CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding the Director's securities transaction in securities of the Company. Having made specific enquiry of all Directors, each of the Directors has confirmed that he/she has complied with the required standard of dealings as set out at the adopted code of conduct regarding Directors' securities transaction throughout the year ended 31 March 2011.

AUDIT COMMITTEE

The Company has established an audit committee with written terms of reference in accordance with Rules 5.28 to 5.29 of the GEM Listing Rules. As at 31 March 2011, the audit committee comprises of three independent non-executive Directors of the Company, namely Mr. Chung Koon Yan (chairman of the audit committee), Ms. Hui Sin Man, Alice and Mr. Chan Ying Cheong.

The primary duties of the audit committee include (i) making recommendation to the Board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and any questions of resignation or dismissal of that auditor; (ii) reviewing and monitoring the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standard; (iii) discussing with the auditor the nature and scope of the audit and reporting obligations before the audit commences; (iv) developing and implementing policy on the engagement of an external auditor to supply non-audit services; and (v) monitoring integrity of financial statements of the Company and the Company's annual report and accounts, half-year report and quarterly reports, and reviewing significant financial reporting judgements contained in them. The audit committee has reviewed the draft of this announcement and has provided advice and comments thereon.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 25 July 2011 to Monday, 1 August 2011, both days inclusive, during which period no transfer of shares will be registered. In order to ascertain the right to attend the annual general meeting of the Company, all share certificates with completed transfer forms either overleaf or separately must be lodged with the Hong Kong branch share registrar and transfer office of the Company, Hong Kong Registrars Limited, at 17M/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Friday, 22 July 2011.

By order of the Board
Great World Company Holdings Ltd
NG Mui King, Joky
Chairman

Hong Kong, 30 June 2011

As at the date of this announcement, the Board comprises of (i) four Executive Directors, namely Ms. Ng Mui King, Joky, Mr. Wong Kai Tat, Mr. Tong Wang Shun and Ms. Zeng Jieping; (ii) one Non-Executive Director, namely Mr. Pong Shing Ngai; and (iii) three Independent Non-Executive Directors, namely Ms. Hui Sin Man, Alice, Mr. Chung Koon Yan and Mr. Chan Ying Cheong.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Company Announcements" page of the GEM website http://www.hkgem.com for at least 7 days from the date of its publication and on the Company's website http://www.gwchl.com.